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Spotlight

ON FOREIGN MARKETING



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TO FAS MARKET DEVELOPMENT COOPERATORS AND AGRICULTURAL ATTACHES

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FAS-COOPERATOR MEETING TO TAKE PLACE THIS MONTH

A two-day FAS-Cooperator meeting will be held September 24-25 in Washington.

A marketing plans seminar will constitute the first days program. It will cover the following elements of marketing plans: analyzing the marketing situation, developing strategy and setting goals, selecting appropriate activities, developing the budget, and getting the job done through people.

Topics for discussion the second day will include: plans for a review of each major commodity program within the next two months, a report from the new FAS-Cooperator committee, and plans for utilizing fiscal year 1965 market development funds.

Details of the meeting will be going out to the cooperators shortly.

REPORTS REMINDER

August 15 was the deadline for cooperator progress reports on a fiscal year basis and semi-annual fiscal reports. Reports for a number of the cooperators were late and overdue notices have gone out.



H. E. Sanford (Left) being presented with a silver plaque "For contributions to the world grain trade" at the annual meeting and world staff conference of the U.S. Feed Grains Council in Washington. Making the presentation is Roy F. Hendrickson (Center) Executive Secretary, National Federation of Grain Cooperatives. Sanford has been stationed in Rotterdam as the Council Export Representative, and is retiring after a lifetime of service to the U.S. grain industry. Looking on is his replacement, Fred Maywald, the outgoing President of the Council.

FAS encourages improved timeliness and content of reports, and urges all cooperators to start now to see that the fiscal reports for the last half of this calendar year and annual progress reports on a calendar year basis are in not later than February 15.

THE 1965 APPROPRIATION

The House and Senate Conferees on the 1965 appropriation for the Department of Agriculture have accepted the Senate action in providing the full amount of the FAS budget request for market development projects. This will provide for a total program at substantially the same level as in 1964 but with about \$750,000 more available for the dollar market areas.

HIDE SALES IN JAPAN

L. Blaine Liljenquist, Western States Meat Packers Association, was among the cooperators that appeared before the Subcommittee of the Committee on Appropriations, United States Senate - Agricultural Appropriations for 1965. Here is part of what he had to say:

"For several years our association has been working with USDA and our cooperator in Japan, the All Japan Leather Association, to expand our dollar market in Japan for surplus American cattle hides.

"In 1959 we set out to double leather shoe consumption in Japan in a 5-year program. Our advertising program throughout Japan by radio, television, and magazines was so successful that Japanese leather shoe consumption jumped from 20 to 48 million pairs in just 3 years.

"The demand for leather brief cases, belts, sporting goods, and other items including ladies handbags in Japan is also skyrocketing.

"As a result of the program, American sales of cattle hides in Japan has soared from \$12 million in 1959 to \$32 million in 1963. Japan buys 70 percent of its cattle hides in from the United States, and our sales to Japan today equal 43 percent of our total exports of cattle hides.

"This joint cooperation between the highly competent staff of USDA's Foreign Agricultural Service and the Western States Meat Packers Association has clearly illustrated to us the important benefits that can flow to American farmers and agricultural industries from the development of foreign markets."

CALIFORNIA PRUNE GROWERS APPROVE HIGHER ASSESSMENT

The California State Prune Order has been amended, through a referendum approved by 92 percent of the growers, to permit producers to contribute up to a maximum of \$10 per ton, as compared to \$2 previously, for use by the California Prune Advisory Board for advertising and research.

The amendment specifies an initial assessment of \$5 per ton for the marketing year beginning August 1. Based on current crop estimates, this will increase total promotion and research funds by \$450,000. The 1964-65 California Prune Advisory Board advertising budget, approved before the amendment, called for an expenditure of \$436,000, \$316,000 in the U. S., and \$120,000 overseas.

The Board also receives promotion and research funds from a handler assessment of \$2 per ton. This was not changed by the 1964 amendment.



George L. Huffman (Left), a Vice President, Ex-Cell-O Corporation, presenting the master print of a new movie on the dairy market development program to George W. Weigold, Managing Director, Dairy Society International. Pauline Frederick (Center), United Nations Correspondent of the National Broadcasting Company, is the narrator of the film.

INDUSTRY SUPPORT FOR DSI

Ex-Cell-O Corporation, a U.S. dairy equipment manufacturer, is financing a 19 minute, 16 mm color movie to tell the story of Dairy Society International to dairy industry groups and others in the United States. Entitled "Small World" and narrated by Pauline Frederick, United Nations correspondent for the National Broadcasting Company, the film will be premiered at the annual meeting of DSI in Chicago, October 4. Ex-Cell-O will give prints of the film to DSI for showings before educational and technical societies, farm organizations, service and other clubs, and the general public.

The emphasis throughout the film is on the importance of the market building program, and the film closes on this note:

"Only through working together can we increase our share of the growing world marketplace - a marketplace which, as present markets expand and new ones emerge, brings nations and men closer together in one small world."

WHAT OTHERS ARE DOING

The International Wool Secretariat, effective July 1964, upped the levy for its Australian, New Zealand, and South African growers to \$6.16 per bale (300 pounds greasy wool). This will give the Secretariat an annual income of over \$36 million for world promotion of wool and about \$5.6 million for research. (Total market development expenditures for U.S. cotton in 1963-64 were about \$2 million, or about 35 cents for each U.S. bale exported.)

The 28 member countries of the International Coffee Agreement now have a world coffee promotion fund of around \$7 million per year. This is derived from a payment of 25 cents per bag for coffee exported by the Latin American members and 15 cents per bag for coffee exported by the African members.

The Sakura Maru, a Japanese "floating trade fair", recently completed a 69-day exhibition to ports in Western Europe, and is reported by the New York Times to have set sail for home with nearly \$10 million in contracts. Previously, the ship had made trips to Southeast Asia, Latin America, Australia and New Zealand, and the Middle East.

RECENT ATTACHE ASSIGNMENTS

Ed Bell, European Area Officer, agricultural attaches, is now attache in South Africa, replacing Bill Edens who is retiring.

Lou Smith, Director, Livestock and Meat Products Division, is the attache to the Netherlands, replacing George Parks who has been assigned by FAS to the 9-month Senior Seminar in Foreign Policy, Foreign Service Institute.

Loyd Adcock, will be attache in Turkey, replacing Gordan Schlubatis who has retired. Loyd's former post in Ethiopia has been closed.

Ford Milam, attache, Brazil, has transferred to IADS to become Chief of Party for the USDA group in the Brazil AID Mission.

Norman Pettipaw, is the attache in Indonesia, replacing Carl Winberg who is being assigned to FAS Washington.

Larry Diehl, is the attache in Malaysia, replacing Martin Morgan who is being assigned to FAS/Washington. Larry's former post in Burma has been closed.

Elmer Winner, Federal Extension Service Information Director, is the new assistant attache in charge of agricultural activities at the London Trade Center.

Dan Sheppard, has been assigned as Bob Tetro's assistant in Rome. Dan's spot at the Milan Trade Center will be covered by Bill Scholz of the Trade Fairs Division.

Ken Murray, will be assistant attache in Bonn, replacing Ernest Koenig who will be assistant attache to the USEC, Brussels.

Turner Oyloe is assistant attache in London, replacing Walter Stern who is now the assistant in Manila.

John Lynch, Trade Projects Division, will be going to the Congo as assistant attache.

Shackford Pitcher is an assistant attache in Brazil, and Harry Bryant will be assistant attache in Pakistan.



Ken Krogh, Deputy Assistant Administrator, FAS, explaining the FAS-Cooperator program to a team of Japanese textile executives who arrived in the U.S. last month to exchange market development ideas for increasing textile products consumption in Japan. Shown (Left to Right) are T. Hashimoto, Y Kohno, M. Fukumoto, K. Krogh, and K. Kanegae.

ARTICLES OF INTEREST

"Selling Italy's 'Miraculous' Market", Printers Ink, March 27, 1964.

R.M.S. Beatson, Managing Director, Intam Italiana S.p.A., Milan, details what U. S. exporters must do in product development, product presentation, and distribution to gain entrance and sales in the Italian market.

PAYING OFF IN DOLLARS

A break-down of the record \$6.1 billion worth of agricultural commodities exported in the fiscal year that just ended shows how the U.S. sales effort is paying off. In the past 10 years, commercial exports have increased from a little over \$2 billion to a record \$4.6 billion the past fiscal year. Over these same years, our exports under Public Law 480 programs have increased by only about \$215 million. In other words, dollar sales have gone up about \$11 for every \$1 increase under Public Law 480.

HOW TRADE CENTERS PROMOTE

Just off the press is a 12-page, 2-color folder entitled, "How U. S. Trade Centers Promote American Agricultural Markets Abroad". It tells how commercial exhibitors can use these facilities for intensive export promotion in key market areas, and includes a statement by President Johnson on the importance of trade centers in the export program for U. S. agricultural products. Cooperators and attaches wishing copies for distribution to their trade contacts should write to the International Trade Fairs Division, FAS, U.S.D.A., Washington, D.C. 20250.



HERE and THERE

The U.S. Feed Grains Council held a staff conference in Washington, August 3-7, in conjunction with its annual membership meeting. The conference theme was "Evaluating Our Work". Staff members were in attendance from the eight overseas offices of the Council. Each employee participated in the development of meaningful guidelines for measuring "value received for effort and money expended". Clarence Palmby, Council Executive Vice President, stated at the membership meeting that U.S. exports of feed grains in 1963-64 totaled 16.2 million metric tons, nearly a one million ton increase from the previous year. Action was taken to increase the contribution of the Council to the market development program.

The Soybean Evaluation Team, composed of Kennett W. Hinks, Donald M. Hobart, Joe L. Jessup, and Earl J. Brubaker, (See story in April Spotlight) leave the last of this month to study Mid-East and Asian operations with stops at London, Rome, Casablanca and Rabat, Cairo, Tel Aviv, Ankara, Izmir, Istanbul, Teheran, Karachi, New Delhi, Chittagong, and Tokyo. The team surveyed soybean promotion work in Europe earlier this year.

Turner Halsey Company, Inc., New York, N. Y., one of the nation's oldest and largest cotton textile exporting firms, was awarded the President's "E" award July 21 for excellence in exporting. Despite major changes in the cotton textile world market in recent years, the firm has substantially maintained its export dollar volume and has steadily increased its percentage of the total world market.

United Kingdom imports of U.S. lard soared to \$48.5 million in 1963-64, a 50 percent increase from the previous year. Reduced supplies and higher prices for competitive oils were major factors, but market development by the National Livestock and Meat Board, and its third party cooperator, the British Lard Association, provided valuable assistance in bringing about this spectacular export increase. A stepped-up 1964-65 campaign with increased consumer advertising, contests, demonstrations, and other educational programs is planned.

Carl Allam, formerly Assistant Administrator, Kansas Wheat Commission, is the new Director of the Great Plains Wheat office in Lima with responsibilities for Peru, Chile, and Ecuador. He succeeds the late Harlan Parkinson. John Farris, recently Director, Great Plains Wheat, Brazil, has been assigned to the Great Plains Wheat Washington Office as an operations coordinator for the overseas program.

M. H. Simmons, Chairman of the Board, Institute of American Poultry Industries, was one of the speakers at a University of Arkansas workshop on "Meeting the Challenges of Trade and Aid". He told of the recent gains in poultry exports, its benefits to the U.S. economy, and how market development is demonstrating free enterprise to people overseas. Other speakers included: Congressman Wilbur D. Mills, Arkansas; and the heads of the Federal Reserve System, U.S. Employment Service, AFL-CIO, and American Farm Bureau Federation.

Babcock Poultry Farm, Inc., Ithaca, New York, received the Presidential "E" Award, August 19, for its outstanding success in building foreign markets for poultry breeding stock.

The International Levant Fair, Bari, Italy, September 10-23, will feature exhibits of the Soybean Council of America, U.S. Feed Grains Council, National Renderers Association, and Institute of American Poultry Industries. This will be the fourth U.S. agricultural exhibit to be held in Italy this year.

The Gerngross department store, Vienna, Austria, reports that its fashion show in conjunction with the visit of the U.S. Maid of Cotton this summer resulted in an increase in sales of cotton textiles of about 25 percent during the three weeks following the fashion show.

Heinz F. Binmoeller, an experienced U. S. accountant, has been named Com-troller of the European office of the Institute of American Poultry Industries in Frankfurt. He will be concerned with fiscal control, finance, and budgeting. Heinz was born in Germany and became a U. S. citizen in 1955 while serving in the U. S. Army.

The popularity of mobile nutrition demonstrations in India is shown in a report by the New Delhi office of Wheat Associates. During the first six months of 1964, nine mobile nutrition extension units operating in six Indian states had 1,277 demonstrations reaching a total of 135,726 people. This figures out to more than 100 people per demonstration, and an average of better than one demonstration per working day for each extension unit. The lectures and demonstrations are on nutrition with emphasis on wheat, and the demonstrators are volunteer third party groups who are now providing about half the costs of the program.

The California Raisin Bureau in Denmark has its own type of investigator. A mysterious young lady operating under the name of "Miss Raisin" pays a surprise visit to Danish bakers and confectioners' shops. If the shopkeeper is selling and displaying raisin bread and making use of the official raisin bureau advertising posters and labels, he gets a prize. The trade press is assisting by publicizing the promotion and travels of Miss Raisin in Denmark.

Jay Taylor, U. S. livestock leader and head of the President's recent Beef Mission to Europe, was at the LEFA international food fair in Hamburg last month to evaluate the U.S. meat exhibit and to conduct a Meat Marketing Seminar attended by about 200 from the German and European meat trade. He was pleased by the interest shown in American beef, and sees a good chance of the U.S. developing some sales of veal calves and feeder cattle in Western Europe.

Fred Schneider, Wheat Associates, Pakistan, has been using educational radio as a means of telling the story of U.S. wheat in his area. Recent guest appearances include Radio Pakistan, and participation in a half-hour show for the Voice of America.

U.S. Rice is gaining new converts among the younger generation. In the U. K., it has been working with the British school system on a hand-out for a rice educational project. Over a million copies are being distributed. In Sweden, it has helped convince the Royal Board of Education to put American rice on its school lunch menus. If all goes as expected, 900,000 Swedish children will be eating American rice this school year.

The attache service has a word and money saving suggestion for the co-operators. In addressing cables to agricultural attaches, use an abbreviated form like this - AmEmbassy, Santiago, with the words "For Kuhl" in the text. The name of the country, and full name and title of the attache are unnecessary since all U.S. Embassies have the same cable address - as do Consulates (AmConsul).

